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Hungary

Agricultural Situation

1st Quarter Food and Ag Imports Up 30%

2004

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Report Highlights:

The volume of Hungary's agricultural and food imports grew 30 percent in the first quarter of 2004. Dairy, pork, and poultry imports were four to nine times higher than purchases during the same period of 2003. While farm organizations repeatedly recite the "EU shock" mantra, Hungary's first quarter agricultural exports grew by an impressive 23 percent.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Vienna [AU1]
[HU]

The volume of Hungary's agricultural and food imports grew 30 percent in the first quarter of 2004. Dairy, pork, and poultry purchases from abroad increased the most. Imports of these commodities were 4-9 times higher than imports during the same period of 2003.

The growth of live hog and meat product imports (at 300 %) was attributed to the "last minute" export subsidy spree of the CEFTA countries (Czech and Poland predominantly). For dairy products, efficient EU producers and low cost neighbors such as Slovakia were the winners of the sales expansion (950%). The relatively high grains and cereals imports were a result of last year's drought. The volume of chicken and turkey meat purchases were attributed to stagnating domestic production and dumping of some low cost "developing country" supplies.

While farm organizations repeatedly recite the "EU shock" mantra, Hungary's first quarter agricultural exports grew by an impressive 23 percent despite the surge in imports.